



## **Economic Impact Analysis Virginia Department of Planning and Budget**

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### **18 VAC 85-80 – Regulations for the Licensure of Occupational Therapists Department of Health Professions**

May 20, 1999

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The Department of Planning and Budget (DPB) has analyzed the economic impact of this proposed regulation in accordance with Section 9-6.14:7.1.G of the Administrative Process Act and Executive Order Number 25 (98). Section 9-6.14:7.1.G requires that such economic impact analyses include, but need not be limited to, the projected number of businesses or other entities to whom the regulation would apply, the identity of any localities and types of businesses or other entities particularly affected, the projected number of persons and employment positions to be affected, the projected costs to affected businesses or entities to implement or comply with the regulation, and the impact on the use and value of private property. The analysis presented below represents DPB's best estimate of these economic impacts.

### **Summary of the Proposed Regulation**

The Board of Medicine proposes the following changes to its *Regulations Governing the Practice of Occupational Therapy*:

- Reorganization of the application, education, and examination sections,
- Amendments to the initial and reinstatement application requirements, and
- Addition of an active practice requirement for licensure renewal.

## Estimated Economic Impact

### Application, Education and Examination Requirements

The proposed regulation reorganizes the application, education, and examination sections, which specify the documentation or verification necessary to become licensed as an occupational therapist in Virginia. A majority of the changes clarify the requirements, remove unnecessary language, or eliminate redundancy. This will make the regulations easier to understand and more useful for the regulated community, but since they do not alter current practices, they will not have any significant economic consequences.

The current rules specify that applicants educated outside the United States must pass the TOEFL with at least a grade of 560. An amendment is proposed to eliminate the reference to a specific score and state that the score must be acceptable to the Board. This will allow the Board to adjust the acceptable score whenever the examination service adjusts its scoring scale. Since this amendment does not represent a change in the application requirements, it should not have any significant economic consequences.

Currently, applicants for licensure or reinstatement of a lapsed license must serve a 160-hour practice under the supervision of a licensed occupational therapist prior to applying for Virginia licensure if they have not engaged in active practice within the past six years. The Board proposes to amend these provisions to require a 160-hour supervised practice of applicants that have not engaged in active practice within the past two years. This is consistent with the minimum requirement for renewal of an active license by an occupational therapist in Virginia.

While the proposed requirement is stricter than the current rules, it is the opinion of the Board that, with the changes occurring in health care, an occupational therapist who has not practiced at least 160 hours over the past two years has likely not remained current with professional knowledge and skills. If this is the case, the new requirements should provide benefits to consumers by increasing the quality of care provided. The new requirement will also increase the licensure costs for out-of-state applicants. However, those costs are expected to be less than the benefits to consumers of occupational therapy services.

### Active Practice Requirement for Renewal

The most significant change proposed to the current regulations is the addition of an active practice requirement for the renewal of an active license. The existing rules do not require any proof of continuing competency in the profession. While the proposed requirement, 160 hours of active practice during a biennium, does not guarantee that the licensee is learning new techniques and information, the Board feels that it will provide minimal assurance that the practitioner is remaining current in his professional knowledge and skills. To accommodate persons whose occupational therapy practice may consist of educational, administrative, supervisory, or consultative services rather than direct patient care, the Board has added a definition of “active practice” to clarify that those professional activities are acceptable for the purpose of fulfilling the renewal requirement.

There will be no compliance costs for the majority of licensees, even for persons who only work part-time or on an occasional basis. Individuals who have either left the state or temporarily left practice of their profession will no longer be able to maintain active licensure status with the Board of Medicine. However, the Board is concurrently proposing (in a separate action) the establishment of an inactive license with a reduced renewal fee that will provide a means for inactive practitioners to document their connection to their profession.

It is not possible at this time to estimate the benefits derived by the public from attempts to assure the competency of practitioners to provide safe, effective care to patients. However, it is reasonable to expect that the benefits would outweigh the anticipated costs, which themselves are minimal.

### **Businesses and Entities Affected**

There are 1,769 occupational therapists currently licensed in Virginia.

### **Localities Particularly Affected**

The proposed regulation will not uniquely affect any particular localities.

## **Projected Impact on Employment**

The proposed regulation will not have any significant impact on employment.

## **Effects on the Use and Value of Private Property**

The proposed regulation will not have any significant effects on the use and value of private property.